setting up of such projects. Capital subsidy varying from Rs. 50 lakh to Rs. 3.00 crore per MW, varying with type of waste, technology employed and end use application is being provided for setting up of these projects. During a hearing on Writ Petition No. 888 held on May 6, 2005, Hon'ble Supreme Court of India has stayed any further subsidies by Government for projects on energy recovery from Municipal Solid Waste. Hence, there is no further progress in this regard.

Steps for improvement in power distribution system

81. SHRI EKANATH K. THAKUR: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that power abundance and deprivation go together in the country as electricity surplus States are unable to light up their villages as they sell all they have,

(b) whether it is also a fact that the country's power distribution system still suffers high aggregate technical and commercial losses with a national average of 40 per cent; and

(c) if so, the steps Government propose to take to improve the power distribution system in India?

THE MINISTER OF POWER (SHRI SUSHUKUMAR SHINDE): (a) Yes, Sir. Some of the States sell power to other States depending on the convenience and availability of short-term open access in the transmission system. Supply of electricity is a State subject as Section 6 of the Electricity Act, 2003, provides that the State Government shall endeavour to supply electricity to all areas including villages and hamlets.

(b) As per report prepared by Power Finance Corporation, Aggregate Technical and Commercial (AT&C) losses of the State power distribution utilities at national level for the year 2004-05 were 33.82%.

(c) Various steps taken by Government of India to reduce the losses of State Power Utilities and thereby improving the power distribution system are:

(i) Accelerated Power Development and Reforms Programme (APDRP) was launched in 2002-03 under which Additional Central Assistance was provided to States for taking up technical and commercial measures for strengthening and upgradation of distribution network, improvement in billing and

collection efficiency, reduction in theft and improvement in consumer services etc.

(ii) Electricity Act, 2003 has been enacted to bring competition in the sector. It also provides legal framework for making theft of electricity as cognizable offence.

(iii) The National Electricity Policy was notified by the Ministry in 2005 after consultations with various stakeholders. It aims at laying guidelines for accelerated development of the power sector, providing supply of electricity to all areas and protecting interests of consumers and other stakeholders.

(iv) With an objective to propagate adoption of best practices in the distribution sector, Ministry has organized National level workshops on best practices in distribution sector.

(v) Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) is under implementation since April, 2005 to provide rural electricity infrastructure, which includes—

1. Rural Electricity Distribution Backbone (REDB) with at least one 33/11KV (or 66/11KV) sub-station in each block.
2. Village Electrification Infrastructure (VEI) with at least one distribution transformer in each village/habitation.
3. Decentralized Distributed Generation (DDG) Systems where grid supply is not feasible or cost-effective.

This infrastructure so created will strengthen the distribution system and will reduce technical losses. Besides this the scheme provides for mandatory installation of franchisee system for rural distribution management to ensure revenue sustainability. This will reduce AT & C losses. It has already started showing the results.

Changes in power policy

†82. SHRI MOTILAL VORA:
SHRI SATYAVRAT CHATURVEDI:

Will the Minister of POWER be pleased to state:

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†Originai notice of the question was received in Hindi.